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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 29, 1988

Mr. Kelly R. Park
Aggra-Insulite Corporation
8790 Blue Jay Lane
Salt Lake City, Utah 84121

Dear Mr. Park:

Re: Small Mining Operation, Claims MM 0-32 and MM 33K-38K,
Aggra-Insulite Corporation, SM/041/013, Sevier County, Utah

The Division is in receipt of your Declaration of Exemption (DOE) MR-4 application form for the above referenced claims. Unfortunately we can no longer accept application for DOE's due to a statutory change which occurred during the 1986 general legislative session. Please note the following developments concerning "small mining operations" within the State of Utah.

The Utah State Legislature passed House Bill No. 71 during the 1986 general session. This bill modifies the State of Utah, Mined Land Reclamation Act, Title 40, Chapter 8, U.C.A., as amended. In part, the amended Act eliminates the two acre/500 ton exemption and establishes a "small mining operation" category in its place. Small mining operations are defined as "mining operations which disturb or will disturb less than five on-site (surface) acres at any time during the life of the operations."

The Division has been involved in drafting new minerals regulations to implement this statutory change and other more recent legislative amendments to the Act. Currently, we have a new set of Proposed Rules and accompanying application forms which should

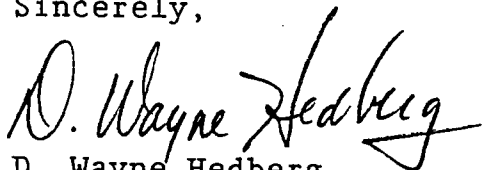
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become final in the very near future. The public comment period on the proposed rules closed on June 16, 1988. The Division and Board of Oil, Gas and Mining are currently taking all comments under advisement. We do not anticipate any major changes in the rules or forms to be warranted as a result of this review. Therefore, I am forwarding a copy of the latest application form for filing a Notice of Intention to Commence Small Mining Operations.

Please complete the attached form for your proposed operation and return it to us at your earliest convenience. Should you have questions or require additional information, please contact me directly. In reply, please reference the assigned project file number SM/041/013.

Also be advised that upon final promulgation of the new minerals rules and regulations, each operator possessing an approved DOE and desiring to continue mining operations will be required to refile under the provisions of the new law and regulations pertinent to a "small mining operation." The Division will notify those operators having approved DOE applications of the new filing provisions once they are finalized.

Sincerely,



D. Wayne Hedberg
Senior Reclamation Specialist

jb

Attachment

cc: J.R. Lister, BLM Area Manager, Sevier River Resource Area
L. Braxton
H. Shepherd

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